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10015-8 / 1517-1

*Personnel*

MEMORANDUM FOR: The Director

SUBJECT: Personnel Savings In Headquarters

**PROBLEM:** To develop and adopt a practical approach to effect personnel savings in Headquarters.

**ASSUMPTIONS:**\*

1. That there might exist somewhere in the Agency, unnecessary overlapping and duplication.

2. That alterations in some projects and functions toward effecting manpower savings might be undertaken without under-fulfilling the Agency's basic responsibilities.

\*(Note: It is important that either these assumptions be validated and action taken to effect savings or the senior elements of the Agency given the confidence that the assumptions have been found invalid.)

**FACTS BEARING ON THE PROBLEM:**

1. A reduction of personnel in Headquarters is required if it can be safely brought about.

2. Increase in personnel in the Field will be allowed based upon merits of any proposed expansion.

3. There is at the present time no system of "selection out" in the Agency except for individual cases.

**DISCUSSION:**

1. There are three principal approaches to the problem of effecting manpower savings. They are:

a. Weeding-out such personnel as may be inefficiently utilized. In addition to inefficiently utilized individuals, this includes the elimination or reduction of administrative overlapping or

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duplication within units and as between other units. (This approach is arbitrarily limited to matters not involving the major organizational structure of the component concerned.) This approach also includes the elimination of sub-standard personnel, which is a continuing responsibility of every supervisor.

b. Altering the substantive functions charged to or assumed by the Agency.

c. Extensive changes in the major organizational structure of Headquarters, or of the major Headquarters components (DD/P, DD/L, DD/S, and Office of the DCI.)

2. Although it is probable that only modest savings can be effected by Approach 1. a. (Efficient manpower utilization), failure to press this approach vigorously would be indefensible, regardless of action taken under Approaches 1. b. and 1. c.

3. It is probable that the most lucrative potential for manpower savings would be found through Approach 1. b. (Alteration of substantive Agency functions or projects). This approach involves the continuing attention of the most knowledgeable officials of the Agency and the responsible judgment and decisions of the most senior officials. A practical method of facilitating this approach and identifying questionable functions and projects for concerted Agency-wide attention, would be for each Deputy to require a systematic review of those functions and projects in his area by the planning and operational units concerned, and a report to him. Each Deputy Director should then present those questionable functions and projects to the PRC for immediate and piecemeal consideration and recommendation. (It is recognized that this examination also has a potential for savings other than in the field of manpower, but these are not being dealt with, as such, in this particular paper.) Manpower savings resulting from this action would be cumulative with those from Approach 1. a.

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4. It is possible that manpower savings might accrue from Approach 1. c. (Major organizational changes). However, there does not now seem to be any reason to change the current major structure which sets up the DB/P, DB/L, DB/S, and the Office of the DCI. Within each of these there may or may not be major changes appropriate, but in any event, the Deputies themselves should continue their efforts to improve and streamline the organization of their respective components. Also, the Inspector General should continue his inspections and surveys and make recommendations bearing upon such organizations. The manpower savings resulting from any of these organizational changes would likewise be cumulative with those resulting from Approach 1. a.

5. Results from these approaches should not be considered as a "Reduction-in-Force." Reductions in personnel ceilings made possible should be effected immediately by the DB/S. Personnel changes indicated as a result of the approaches, should be effected through attrition and reassignment; and through a system of "selection out" which should be developed.

#### **RECOMMENDATIONS:**

1. That a "Manpower Task Force" be appointed with terms of reference as Tab A, to deal with Approach 1. a.

2. That, in order to carry out Approach 1. b., the respective Deputies be directed to require a systematic review and appraisal by the planning and operational people concerned, of all functions and projects in their areas. Where any function or project is found to be questionable, the Deputy concerned should submit them to the Project Review Committee for immediate and personnel consideration and recommendation.

3. That, in order to carry out Approach 1. c., the respective Deputies be directed to evaluate their present organizational structures, and where not savings of personnel and other resources can result, make organizational changes as required.

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4. That the Inspector General be informed that there is no change in his instructions to continue his inspections and surveys of the respective components.

5. That the Director of Personnel be directed to prepare a study proposing a system for "selection out" of limited numbers of personnel on a planned basis.

6. That Tab A be published as an "Agency Notice" to acquaint Agency personnel of that particular step being taken.

**C. F. CABELL**  
**Lieutenant General, USAF**  
**Deputy Director**

**Attachments**  
**As stated**

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TAB A

**MANPOWER TASK FORCE**

1. Effective this date the DCI Manpower Task Force is established. Its members will consist of (insert here the names of a senior officer from the DD/S, the DD/P, the DD/I, and an adviser selected from the Management Staff. The senior officers to be nominated by the appropriate Deputy Director and appointed by the Director. One of the three appointed officers to be designated by the Director as Chairman of the Task Force.)

2. The purpose of establishing the Task Force is to provide a temporary mechanism which can make an on-the-site appraisal of the efficiency with which manpower is used in all Headquarters components of the Agency, toward the end of effecting net savings in personnel.

3. The functions of the Task Force are as follows:

a. To identify any instances or areas of inefficiency within Headquarters, including administrative overlapping or unnecessary duplication within the unit and as between other units, but not extending to matters involving the major organizational structure of the component concerned.

b. To relate this to specific positions that can be declared surplus.

c. To specify those positions that are surplus in any component.

4. The Task Force is vested with the authority of the Director and the Deputy Director concerned in order to carry out the above functions. Its decision with respect to specific positions to be eliminated, as a general rule, shall be acted upon by the Deputy Director concerned. Appeals may be made to the DCI through channels.

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5. The Task Force will devote its full time to this review. It will not redelegate its review responsibility. It will focus its attention at every operating level. The Task Force will provide the Director with a progress report at the end of one month and thereafter as specified by the DCI. It should seek advice and counsel of the Deputy Directors and the Director as required.

6. Personnel reductions resulting from action of the Task Force are not to be considered as a "Reduction-in-Force." Reductions in personnel ceilings made possible by decisions of the Task Force will be effected immediately by the DP/S. Personnel changes indicated as a result of Task Force action will be effected generally through attrition and reassignment.

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TAD B

**MEMORANDUM FOR: Deputy Director (Intelligence)  
Deputy Director (Plans)  
Deputy Director (Support)  
Assistant to the Director for Planning  
and Coordination**

**SUBJECT: Personnel Savings in Headquarters**

1. As part of a concerted effort to reduce manpower requirements at Headquarters, the Deputy Directors will require their responsible planning and operational people to make an immediate and systematic review and appraisal of all functions and projects in their respective areas. In those instances where functions or projects are found to be questionable for any reasons, including considerations of manpower and other cost factors, each Deputy shall submit them to the Project Review Committee. The Project Review Committee shall then give immediate and piecemeal review and recommendations as to appropriate alterations.

2. Each Deputy Director is also instructed to evaluate the present organizational structures under his authority and, where net savings of personnel or other resources will result, make such organizational changes as are appropriate. This evaluation will not in any way alter the Inspector General's responsibility for making regular inspections and surveys of all organization components.

**ALLEN W. BULLIS  
Director**

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**SECRET**ASSIGNMENTS TO POSITIONS IN GRADES GS 9/15

1. For the purpose of providing an opportunity for broadened experience to all employees in the medium and senior professional grades, as well as to assure optimum utilization of their qualifications, Operating Officials will keep the Office of Personnel continuously and promptly informed of all open positions and all positions about to be vacated within the continental United States in grades GS-9 through 15. The Office of Personnel will examine the requirements of each position, will review the files of all available and qualified Agency personnel (including those of the candidates proposed by the Head of the Career Service concerned), and will provide to the Head of the Career Service a listing of candidates for each position in order of preference. The final selection or the decision to recruit from outside the Agency will be made by the Head of the Career Service concerned, subject only to review in accordance with the procedures established for the Special Placement Committee.

2. With regard to requirements for personnel to fill positions outside the continental United States, the Deputy Directors are encouraged to make use of the above procedure, taking into account the lead time required for training, desk experience, and processing.

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**Placement of Personnel Excess to the Needs of  
Operating Components; The Release of Personnel  
Excess to Agency Needs**

1. Operating officials will declare available for placement those persons occupying positions which have been or are to be eliminated from their Tables of Organization. Such personnel will enjoy the same standing for retention in the Agency as personnel assigned to T/O positions.
2. The Director of Personnel, in cooperation with the Deputy Directors and the heads of the career services concerned, will effect placement of such persons into open positions; or, failing this, will review the qualifications and employment status of all personnel with whom each individual could reasonably compete. With the advice of the Special Placement Committee, he will make such placements as may thus be called for; and, as a result of this process, he will identify by name personnel in excess to Agency needs.
3. The identification of such personnel will take place only as a result of a competitive review of all persons of similar grade, length of service, and qualifications.
4. The Director of Personnel will inform individuals so identified of their impending release and will review with them the procedures followed in reaching this decision. He will upon application of the individual arrange for an appeal of this decision in accordance with Agency regulations.

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**TRANSMITTAL SLIP**

13 May 1957

(Date)

TO: General Counsel

BUILDING

East

ROOM NO.

221

REMARKS:

Larry:

General Cabell tabled these papers at the Deputies' Meeting this morning with the request that they be brought up for discussion at the Deputies' Meeting on Wednesday morning, the 15th.

I would appreciate it if you would review them without delay. I would like to get together with you and Gordon Stewart tomorrow afternoon at 3:30 p.m. in my office.

*LKW* LKW

FROM: Deputy Director (Support)

BUILDING

East

ROOM NO.

221A

EXTENSION

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FORM NO. 36-8  
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